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DEPARTMENT OF THE TREASURY
BUREAU OF THE PUBLIC DEBT

LONG RANGE PLAN 1987 edition

DEPARTMENT OF THE TREASURY
FISCAL SERVICE

BUREAU OF THE PUBLIC DEBT
LONG-RANGE PLAN

1987 EDITION

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MISSION STATEMENT

The Bureau's mission is to borrow money needed to operate the Federal Government and to account for the resulting public debt.

AUTHORITY

Article I, Section 8 of the Constitution empowers the Congress to borrow money on the credit of the United States. This authority has been delegated to the Secretary of the Treasury. Further, Title 31 U.S.C. authorizes the Bureau of the Public Debt as an organizational entity within the Fiscal Service of the Department of the Treasury, prescribes the debt instruments, and otherwise limits and restricts the amount and composition of the debt.

BUREAU PROGRAMS

The Bureau has five securities and accounting programs and subprograms which are as follows:

Commercial Book-Entry Securities

Direct-Access Securities
- Book-Entry Securities
- Treasury Bill System
- Definitive Securities

Savings Securities
- Accrual Bonds
- Current Income Bonds

Special Purpose Securities
- State and Local Government Series
- Other Special Treasury Securities
- Non-Treasury Securities

Public Debt Accounting
- Summary Financial Accounts
- Summary Securities Accounts

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STRATEGIC PLANNING IN THE BUREAU

Planning Philosophy

The Bureau of the Public Debt uses strategic planning as a structured and consistent way of setting directions and establishing priorities among competing demands for its resources. The long-range plan represents our assessment of the future and our determination of the most preferable course for accomplishing the Bureau's job in the context of the goals and priorities of the Fiscal Service and the Department of the Treasury.

This plan, updated for calendar year 1987, represents the course that Bureau management currently intends to follow for the next three to six years.

Use of the Plan For Management Decisions

The plan forms the basis for management decisions and is a test for new initiatives, since a very important criterion is the degree to which a new idea supports the plan. The Bureau's change or improvement actions that have the highest priority are those that are consistent with and in direct support of specific directions statements. The next priority is given to items that are not specifically addressed in the directions statements, but clearly support the spirit and intent of the plan. This does not mean that proposals that are inconsistent with the plan would be summarily rejected; it does mean that they would need to be very strong and persuasive since their acceptance may require that the foundations of the plan be altered.

Bureau managers are expected to use this plan in the overall direction of their day-to-day activities, and to contribute to the accomplishment of Bureau objectives whether or not they have direct responsibilities for accomplishing specific action plans.

Intent of Action Plans

The action plan purpose statements contained in this plan provide definition and focus for expected accomplishments. They are not meant, however, to preclude managers from recommending changes if a preferable approach is identified or if the stated purpose is not feasible.

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STATEMENTS OF FUTURE DIRECTIONS

The statements of future directions describe the approaches that have been adopted and outline how they will apply to our programs and important relationships over the next several years.

Overview

Within our basic mission, the Bureau has four broad areas of responsibility: we have a comptroller responsibility for the public debt; a responsibility as the regulator of Treasury securities and related activities; a responsibility to manage specific marketable and nonmarketable securities programs; and a responsibility to conduct transactions and provide direct customer services. The mission of the Bureau will remain unchanged; however, we will assume a larger program management role, and our workforce will become smaller and more technical.

Fundamental changes will occur in the savings bond program as a result of streamlining and consolidation of issuing and redemption processes and changes to the terms and conditions of the instrument. The Bureau will remain the central recordkeeper of savings bond information but will receive and process less paper as significantly different processing mechanisms are implemented and increased automation occurs.

In the direct-access program, the emphasis will shift from transaction processing to program management with specific program and system attention directed toward increasing investment in the **TREASURY DIRECT** Book-entry Securities System.

The commercial book-entry program focus will be on continuing to develop expertise which will lead to a larger and more visible role in commercial book-entry activities. Further, the Bureau will assume new responsibilities, as appropriate, in support of the requirement that the Department regulate the government securities market.

Major systems changes will occur in public debt accounting. The effect of these changes will be to consolidate reporting requirements and produce more timely and accurate information using processes with substantially more effective controls.

Our challenge in automation will be to refine and increase the use of our existing compatibility and communications connection with the Federal Reserve and to remain compatible with the Federal Reserve data processing environment.

Bureau Identity and Visibility

The Bureau of the Public Debt's borrowing and accounting responsibilities are unique and important to the efficiency of debt financing and

the continued operation of the Federal Government. Our ability to be effective in the accomplishment of our mission is strengthened by an increased external understanding of our responsibilities and services. We will, therefore, actively pursue ways to improve our visibility and increase awareness of our capabilities and contributions.

Commercial Book Entry

The Bureau will assume its full set of commercial book-entry responsibilities. These responsibilities are to ensure the continued viability of a mechanism (process) to support secondary market activities and to resolve issues affecting access to and the operation of that market. To this end, we will develop and maintain the expertise necessary to successfully execute our managerial and regulatory responsibilities.

It is essential to maintain a high-quality commercial book-entry system. We believe that basic book-entry services and transaction capabilities should be consistent for all system users.

The Bureau will work with the Federal Reserve System to ensure that the commercial securities transfer system continues to satisfy Treasury's financing requirements and, to the extent possible, minimizes the time and cost of introducing new instruments and making system changes and enhancements.

Direct-Access Securities

TREASURY DIRECT will be managed by the Bureau as an efficient, automated book-entry system for Treasury bill, note and bond accounts. The system will be maintained and enhanced to provide high quality and secure services which are responsive to the needs of investors and system users.

Recognizing the value of the direct-access investment option to investors and to the Federal Government, we will increase the amount of securities held in **TREASURY DIRECT** by expanding public awareness of the system and its investment features. Registered account holders will be encouraged to convert their definitive securities to **TREASURY DIRECT** accounts.

While the Bureau has authorized Federal Reserve Banks and Central Site in FRB Philadelphia to perform a wide range of operations, the Bureau is ultimately responsible for the overall direction and management of the direct-access program, including the **TREASURY DIRECT** system.

While we will continue to rely on the Federal Reserve to handle a major share of the transaction and customer contact work, the Bureau will maintain a core of technical and legal expertise on marketable Treasury securities.

Bureau and Federal Reserve facilities will continue to be available for the public to personally transact business relating to marketable Treasury securities. The Federal Reserve Bank of New York will issue all definitive securities and will maintain all bearer and registered stock. The Bureau will continue to maintain and service registered accounts.

Special Purpose Securities

The Bureau will continue to handle its current special purpose securities workload, will take advantage of opportunities to improve these

operations as they become available, and will handle any new initiatives as unscheduled events. We will determine our responsibilities to other agencies regarding non-Treasury securities but will not solicit work from them.

Accrual Savings Bonds

The future direction of the accrual savings bond program recognizes the integral role of savings bonds in Federal debt financing. The program will continue to provide a stable and sizable source of debt financing and to afford a large segment of the population with a safe, convenient savings mechanism. In addition, the program (even after including all administrative and tax deferral costs) routinely saves the Federal Government in excess of $100 million annually in borrowing costs.

To maintain the viability of the program and to optimize its benefit to the government, we will make significant and far-reaching changes in the terms and conditions and processing of accrual bonds.

We expect to process bonds at an overall lower cost than at present. We will reduce the locations for issuing bonds over the counter from approximately 40,000 to not more than 12. In addition, we will achieve further cost reductions by shifting payroll sales workload from agents to those Federal Reserve Banks capable of issuing such work at the lowest unit costs. Further, we will actively encourage use of the check collection system for processing redeemed bonds and introduce steps to permit their truncation.

Changes to accrual bond regulations and to the terms and conditions of the security also are expected to provide opportunities for reducing costs and increasing processing efficiency. Possible modifications include reducing the numbers of denominations available and the variety of services offered to customers.

Notwithstanding these changes, the Bureau will continue to rely on its network of financial institutions and other agents to accept and forward applications and payments but not actually issue the bonds. We will continue to pay savings bond agents for the services they provide, in accordance with an established schedule of fees.

Administering the savings bond program affords us a unique perspective on the program and its participants. We intend to use our expertise and information to influence the policy direction of the program, and we will actively involve the Office of Domestic Finance and the Savings Bonds Division in the consideration and implementation of significant changes to the program.

Current Income Savings Bonds

The current income bond is viewed as a sales feature of the Series EE Savings Bond since current income bonds are only available through exchange. We intend to take full advantage of our capability to interact with the Federal Reserve communication network by developing and installing an issuance and redemption system for current income securities. The system will centralize issues at the Savings Bond Operations Office and provide Federal Reserve Banks with on-line access to H/HH account information. We will continue to encourage present bond owners to accept their interest payments via electronic means and will require that interest payments on new purchases be made electronically.

Public Debt Acccunting

Accounting for the public debt and related interest cost is a fundamental mission responsibility of the Bureau and will continue to be performed within the Bureau. A Public Debt Accounting and Reporting System (PARS) will be implemented to account for and balance public debt securities and financial transactions daily and significantly improve the accuracy of and controls over public debt accounting information. PARS will reduce the reporting requirements for Federal Reserve Banks, provide additional access to accounting information, and improve Bureau operations. The Bureau will also evaluate related public debt accounting systems and modify them as necessary to improve internal controls and insure compatibility with PARS.

To improve linkages with other agencies in this vital area, we will cooperate with the Federal Reserve Banks and the Financial Management Service to promote the sharing of plans and ideas for accounting and automated systems at the earliest stages of development.

In the interest of more realistic reporting of public debt information and to establish more reasonable long-term recordkeeping and claims requirements, the Bureau will pursue opportunities to reduce the public debt outstanding by the amount of matured, unredeemed securities that are not likely to ever be paid and to establish a maximum period of time that security records would be maintained and claims honored.

Federal Reserve

The Bureau plans to make effective use of the Federal Reserve's resources in accomplishing its responsibilities to individual and institutional investors in Treasury securities. The Federal Reserve, as Treasury's fiscal agent, is a necessary and integral element in the Bureau's accomplishment of its mission. We will rely on the Federal Reserve to handle increasing amounts of securities work and to maintain Bureau-established standards of quality and service. One of the options we will consider is whether to have services provided at all or only some of the Federal Reserve offices.

While our relationship with Federal Reserve Banks is technically one of principal and agent, it is in practice a dynamic, accommodating arrangement based on communication, trust, and common goals. The long-standing relationship combines with the Federal Reserve System's association with financial institutions and its unique set of responsibilities for open market operations to provide the Federal Government with continuous market contact and significant operational flexibility in administering the public debt.

We will maintain an active, executive linkage with the Federal Reserve Board of Governors, the Subcommittee on Securities and Fiscal Services, fiscal agency officers, and others as appropriate, for purposes such as assisting the Bureau in deciding policy issues, providing program direction, resolving problems, and discussing new ideas. As a normal practice, we will involve the Federal Reserve at an early stage on significant issues of mutual concern and expect the Federal Reserve to reciprocate.

Through our oversight program, we will provide the Federal Reserve Banks with guidelines and expectations for performance and will monitor results achieved, costs, and productivity. In structuring the program, we will recognize the value of the collaborative relationship, respect the individual responsibilities of the fiscal agency departments in the Banks, preserve their flexibility in managing day-to-day operations, and determine appropriate reporting requirements.

We will keep the Fiscal Assistant Secretary apprised of the nature and quality of the Bureau/Federal Reserve relationship and, in significant

areas of mutual concern between Public Debt and the Financial Management Service, we will assume responsibility for causing joint consideration of the issues to achieve a mutually acceptable Fiscal Service position with regard to the Federal Reserve.

We support the principle of reimbursement of the Federal Reserve from our appropriation for all costs of activities conducted for the Bureau as Treasury's fiscal agent. We will, therefore, continue to plan and budget in a manner which supports progress toward full reimbursement. In the absence of appropriated funds for full reimbursement, the Bureau will continue to reimburse all Banks for the full range of fiscal services to the extent that funds are available rather than select individual initiatives or programs for full reimbursement.

Debt Management

The Bureau will regularly examine its securities programs and make recommendations to the Fiscal Assistant Secretary and Assistant Secretary (Domestic Finance). Recommendations will be made in areas such as alternative financing techniques, possible changes to the terms and conditions of existing debt instruments, potential new instruments, reinvestment opportunities, and the capabilities of securities processing systems. We will also assist in evaluating proposals initiated outside the Bureau.

Automation

The Bureau will promote a service-oriented data processing program which is an integral part of the Bureau's operations and management.

We will use available technology and system development tools to decrease the time required to implement automated systems. We will continue to maintain a computer center in Parkersburg, West Virginia. In addition to using the computer center for large-scale applications, we will encourage the use of small computers by end-users for local computer applications which can effectively employ such technology.

Efficient accomplishment of mission requirements should drive our use of technology. To that end, we intend to keep abreast of technological developments and use new technology as appropriate to accomplish our goals.

The Bureau will maintain a data processing environment which remains compatible with the Federal Reserve System's environment and which is directly connected to the Federal communications network. We will take advantage of opportunities to use this compatibility and communications connection to optimize the exchange of data and the sharing of information. To accomplish these goals efficiently, we will remain aware of Federal Reserve data processing and information management plans.

Data will be organized and managed effectively to reduce data processing costs, eliminate unnecessary duplication, and provide useful information that is available when needed. One area of automation emphasis will be the development of systems to address the information needs of the Bureau's program managers.

Work Force Locations

The Bureau will continue to conduct work in Washington, D.C.; Parkersburg, West Virginia; the Federal Reserve Banks and Branches; and the savings bond agent locations nationwide. Our headquarters and the direct-access securities, commercial book-entry securities, special purpose securities, and public debt accounting programs will be managed from

Washington, D.C. The savings securities program will be managed from Parkersburg, West Virginia. Bureau operations work will be performed at the location from which the program is managed unless there are specific reasons and benefits for performing the work elsewhere.

Although much of our securities transaction workload is handled by the Federal Reserve, there are securities operations that will continue to be handled directly by the Bureau. When opportunities or problems arise regarding how best to accomplish work in the Bureau, one of the alternatives managers should consider is having the work performed in another geographic location, recognizing that the geographical location of an operation will not dictate its organizational placement.

Effectiveness/Efficiency

The Bureau is committed to accomplishing its responsibilities effectively at the lowest feasible cost. Although accomplishment of the mission responsibilities is always of primary concern, we are continually searching for ways to reduce costs, particularly in ways that support the long-range plan. Where improvements are needed to reach acceptable performance levels, cost is used primarily to choose between alternative methods of achieving the necessary improvements. As current performance or service approaches an acceptable level, cost becomes increasingly more important and persuasive in decision-making.

The Bureau will examine the service provided to customers to achieve the proper balance between the range of services provided and the costs of providing those services. This may result in reducing the variety of services offered where the reduction will not significantly affect our ability to sell securities in support of our borrowing mission. For those services that the Bureau does provide, we are dedicated to high-quality performance.

Management Philosophy

The Bureau is managed informally and with the expectation that communication throughout the organization will be open, informal and candid; that delegations of authority will be made to the lowest practicable levels; and that efforts will be made to reach consensus in decision-making and in establishing program direction.

We have high expectations of our employees and recognize the value of their contributions. We will be sensitive to employee concerns and expectations and manage in a manner which will support recruitment and enhance retention, productivity, and morale.

We are committed to communicating to employees as much information as possible about the Bureau's future directions. When personnel reductions are necessary, we will employ a planned approach to minimize adverse impacts on employees.

OBJECTIVE NO. 1—IMPROVE OPERATIONAL PERFORMANCE

To conduct Bureau operations in ways that meet established standards for performance and do so at the lowest feasible cost.

STRATEGY 1 IMPROVE OPERATIONAL SYSTEMS

The Bureau will improve the performance or reduce the cost of its operations through systems redesign, new automation, changes in processes or procedures, optimal use of its agents or other enhancements.

STRATEGY 2 MAKE OPTIMUM USE OF AVAILABLE TECHNOLOGY

The Bureau will remain aware of available technology and adopt new technology when it will improve operational efficiency.

STRATEGY 3 IMPROVE SERVICE TO INVESTORS

The Bureau will define appropriate services and levels of investor services. Actions will be taken to provide these services at a high-quality level and in a timely manner.

STRATEGY 4 IMPROVE PERSONNEL EFFECTIVENESS

The Bureau will improve its employees' understanding of the Bureau's mission and their roles in mission accomplishment, encourage the development or enhancement of skills and knowledge, improve physical surroundings and benefit programs, and reward notable accomplishments.

OBJECTIVE 1 ACTION PLANS

No. 1.1.6 **PUBLIC DEBT ACCOUNTING AND REPORTING SYSTEM (PARS)**

This automation effort envisions a fully integrated accounting system that will include financial accounting, daily securities accounting and the reconciliation of securities and financial reporting on a daily basis.

No. 1.1.10 **FULL BOOK ENTRY**

The Bureau will move to full book entry at the earliest opportunity by completing the legal work required to offer new issues of Treasury notes, nds, and bills in book-entry form only, by effecting operational changes required to use the **TREASURY DIRECT** System, by making the necessary internal Bureau adjustments including reorganizing the Office of Securities and Accounting Services, and by planning for the long-term handling of the remaining definitive securities workload.

No. 1.1.13 **SERIES H/HH SAVINGS BOND SYSTEM**

This action plan will implement a new automated system for the processing of Series H/HH Savings Bonds on the Bureau's replacement computer.

No. 1.1.15 **SAVINGS BOND REDEMPTION PROCESSING SYSTEM**

This action plan will develop and implement a procedure to permit savings bond paying agents to use existing check collection mechanisms to obtain payment for redeemed Series E/EE Savings Bonds.

No. 1.1.16 **REGISTERED ACCOUNTS SYSTEM**

This action plan will implement a new automated system for processing registered accounts on the Bureau's replacement computer.

No. 1.1.17 **COMPUTER OUTPUT MICROFILM (COM)**

This action plan will determine near-term Bureau requirements for COM (both microfilm and microfiche) and acquire equipment or services necessary to satisfy these requirements.

No. 1.2.2 **OCR/MICR/PAPER BOND**

This action plan will result in the application of OCR/MICR technology to achieve operational savings—first in the processing of savings bond retirements and second in the processing of savings bond issues. Completion of this action plan will lead to conversion from punched cards to a paper Series EE Savings Bond.

No. 1.2.8 **CORRESPONDENCE TRACKING SYSTEM**

The purpose of this action plan is to design and install an electronic system equipped with OCR input devices to identify, locate, and otherwise control case files in the Savings Bond Operations Office and to prepare a variety of recurring reports related to the processing of correspondence.

No. 1.2.9 **END-USER COMPUTING**

This action plan will establish a program to effectively manage end-user computing technology in the Bureau.

No. 1.4.5 **LABOR NEGOTIATIONS**

The Bureau will plan for and renegotiate a new labor agreement to succeed the current contract which expired on February 1, 1987.

No. 1.4.6 **IMPROVING EMPLOYEE PROGRAMS**

This action plan will explore and implement programs to make the Bureau a better place to work and increase awareness of employee programs.

SAVINGS BOND DELIVERY SYSTEM **1987 INITIATION**

This action plan will consolidate/centralize the issuance and delivery of Series EE Savings Bonds sold over-the-counter.

EXPANSION OF EFT FOR SERIES HH PAYMENTS **1987 INITIATION**

This action plan will implement mandatory ACH payments (EFT) for new issues of Series HH Savings Bonds.

DATA ADMINISTRATION AND DATA BASE MANAGEMENT **1987 INITIATION**

This action plan will establish programs to organize and effectively manage data in support of the Bureau's information needs.

MARKETABLE AUCTION RESULTS — **1987 INITIATION**

This action plan will develop and implement changes which will allow the results of marketable security auctions to be released significantly earlier than at present.

DATA COMMUNICATION SYSTEM — **1987 INITIATION**

The Bureau will design and install a data communication system which would permit transfer of information between Bureau personal computers, terminals, and the central computer system and between personal computers.

AUTOMATE FISCAL AGENCY MANAGEMENT INFORMATION DATA COLLECTION — **1987 INITIATION**

This action plan will automate the transmission of Fiscal Agency management information from the Federal Reserve Banks to the Bureau and the Bureau's processing of such information.

SERVICE LEVEL OBJECTIVES FOR THE COMMERCIAL BOOK-ENTRY SYSTEM — **1987 INITIATION**

The purpose of this action plan is to identify and document the services and outputs of the Commercial Book-Entry Program and to establish acceptable, cost-effective service level objectives (SLOs). The SLOs will identify the desirable levels of service at appropriate tiers of the Commercial Book-Entry System and document the program requirements and authority for each service area.

AUTOMATE ADMINISTRATIVE FUNCTIONS — **1987 INITIATION**

The action plan will automate major administrative functions in the Bureau.

ENCOURAGE CONVERSION OF REGISTERED SECURITIES TO BOOK ENTRY — **1988 INITIATION**

This action plan will reduce the number of registered securities outstanding by encouraging investors to voluntarily convert their securities to book-entry accounts in TREASURY DIRECT.

SERIES E/EE AUTOMATED SYSTEM — **1988 INITIATION**

This action plan will develop and implement a new system for processing Series E/EE Savings Bonds. The project will examine fundamental data processing requirements for the securities, to include an assessment of information requirements, workflow options, and processing interfaces with the Federal Reserve Banks; will accommodate new operational approaches; and will use the latest proven technology.

PROMOTE TREASURY DIRECT — **1988 INITIATION**

This action plan will evaluate the Bureau's direct-access securities public information program and take action to increase investment in TREASURY DIRECT.

FEASIBILITY OF OFFERING SERIES HH SAVINGS BONDS IN BOOK-ENTRY FORM — **1988 INITIATION**

This action plan will investigate the feasibility of and cost/savings involved in marketing Series HH Savings Bonds on a book-entry only basis.

STORING AND RETRIEVING SAVINGS BOND IMAGES ELECTRONICALLY — **1988 INITIATION**

This action plan will investigate the feasibility of using new technologies such as laser disc in capturing electronically retrievable images of stub and paid bond data.

UNITED STATES SAVINGS BOND ACCOUNTING SYSTEM — **1988 INITIATION**

This action plan will redesign the U. S. Savings Bond subsystem of the Public Debt Accounting System to improve efficiency of operations, use the capabilities of the Bureau's new computer, and better integrate the system with the Series EE and HH securities systems.

STATE AND LOCAL GOVERNMENT SECURITIES SYSTEMS — **1989 INITIATION**

This action plan will implement a new, improved automated system for processing Time Deposit and Demand Deposit State and Local Government Series securities.

OBJECTIVE NO. 2—INCREASE PROGRAM EFFECTIVENESS

To establish, modify, or reinforce the scope, direction, or performance expectations of the Bureau's securities and accounting programs.

STRATEGY 1 CONDUCT PROGRAM EVALUATIONS

The Bureau will evaluate selected aspects of its securities and accounting programs so that decisions can be made on program issues. Where appropriate, these evaluations will examine the Bureau's role in administering these programs and determine how the program goals can best be accomplished.

STRATEGY 2 CLARIFY PROGRAM RESPONSIBILITIES

The Bureau will examine the extent and scope of its program responsibilities and ensure that they are fully identified, clearly understood, and properly assigned within the Bureau.

OBJECTIVE 2 ACTION PLANS

No. 2.1.2 REVIEW OF SAVINGS BOND REGULATIONS

The purpose of this action plan is to consolidate and simplify the savings bond regulations with a view toward more cost-effective program administration.

No. 2.1.4 INCREASE USE OF FEDERAL RESERVE BANKS IN THE SAVINGS BOND PROGRAM

This action plan will explore alternatives available to minimize savings bond program costs by increasing the use of Federal Reserve Banks with lower-cost facilities.

No. 2.1.7 ACCOUNTABILITY FOR SAVINGS BOND POSTAGE

The Bureau will design, test, and implement a system to provide full postal accountability for the mailing of savings bonds by issuing agents. The current system is one in which issuing agents are responsible for providing data for computation of mailing costs accrued as a result of their mailings of savings bonds. Under the new system, a more accurate and accountable method will be employed to ensure proper computation of mailing fees chargeable to the Bureau.

No. 2.1.8 STUDY TO DETERMINE THE SAVINGS OR COST OF YIELD-BASED AUCTIONS

A study will be done to determine the savings or cost that has accrued to the Treasury as a result of switching to yield-based auctions from price-based auctions, and of the current policy of awarding non-competitive bidders the average yield. This study will recommend appropriate policy changes based on its findings.

No. 2.2.3 BOOK-ENTRY REGULATIONS (COMMERCIAL SYSTEM)

The Bureau will draft regulations to govern marketable Treasury securities issued exclusively in book-entry form and held by and through Federal Reserve Banks for their own account and/or for depository institutions in the commercial book-entry system.

No. 2.2.4 **IMPLEMENTATION OF PROGRAM STRUCTURE**

The Bureau will orient management to the new program structure and the management information that will be available by program and program element, establish expectations regarding the use of the structure and the program information in the Bureau, arrange for the data collection, and integrate the program structure into the long-range planning process.

No. 2.2.5 **ESTABLISH A PUBLIC INFORMATION PROGRAM**

The purpose of this action plan is to establish a Bureau structure for increasing external understanding of our responsibilities and services.

SPECIAL PURPOSE SECURITIES **1987 INITIATION**

This plan will identify and document the Department's legal and regulatory responsibilities for non-Treasury securities (including custody and safekeeping functions) and evaluate current practices.

CENTRALIZED SECURITIES MAINTENANCE AND TRANSFER SYSTEM **1987 INITIATION**

This action plan will examine the desirability and feasibility of developing a centrally maintained and operated commercial book-entry securities system.

MINIMUM DENOMINATIONS FOR TREASURY MARKETABLE SECURITIES **1987 INITIATION**

This action plan will determine whether the current minimum denominations for marketable securities should be changed.

SAVINGS BOND REDEMPTION VALUE INFORMATION **1987 INITIATION**

This action plan will investigate alternatives to the systems and procedures currently used to provide redemption value information to agents for Series E/EE Savings Bonds and Savings Notes. The study will include an evaluation of several approaches to the preparation and distribution of redemption tables to paying agents, as well as the feasibility of using present or anticipated communications capabilities to accomplish bond and note pricing electronically.

REMOVE MATURED, UNREDEEMED SECURITIES FROM THE OUTSTANDING PUBLIC DEBT

1987 INITIATION

The purposes of this action plan are to remove matured, unredeemed securities from the accounts of the outstanding public debt and to implement the statutory and regulatory changes necessary for limiting the period of time past maturity for which records will be maintained and claims honored for unredeemed securities.

SAVINGS BOND EXTENSION

1989 INITIATION

This action plan will develop a proposal to be submitted to the Department on whether or not to extend the maturity of Series EE Savings Bonds, beginning in 1990.

DIRECT-ACCESS PROGRAM

1989 INITIATION

This action plan will validate the positive contribution of the marketable direct-access program to Treasury financing and recommend program enhancements or marketing approaches to strengthen that contribution.

OBJECTIVE NO. 3—STRENGTHEN MANAGEMENT AND CONTROL SYSTEMS

To ensure that control, accountability, and security of Bureau resources and systems are effective and in compliance with established standards.

STRATEGY 1 REVIEW FUNCTIONAL RESPONSIBILITIES

The Bureau will review and clarify its functional responsibilities to determine their appropriate placement in the Bureau or with its agents.

STRATEGY 2 IMPROVE MANAGEMENT INFORMATION

The Bureau will improve the timeliness and usefulness of information needed to manage the Bureau and its programs and to satisfy external reporting requirements.

STRATEGY 3 ENHANCE RESOURCE PROTECTION

The Bureau will review its programs and systems to assess their vulnerability and take actions to minimize the risk of loss.

STRATEGY 4 IMPROVE CASH MANAGEMENT

The Bureau will employ and document effective cash management and debt collection policies and realistically apply them in operational and managerial decisions.

OBJECTIVE 3 ACTION PLANS

No. 3.2.3 **UPDATED PRODUCTIVITY INDICATORS**

The Bureau will update or develop work units to measure and report on the productivity and performance of the Bureau's organizational units.

No. 3.2.5 **MODIFICATIONS TO THE FEDERAL RESERVE INFORMATION SYSTEM**

This project will ensure that the systems used to collect information from the Federal Reserve regarding productivity and cost support the Bureau program structure.

No. 3.3.5 **PHYSICAL SECURITY POLICIES**

This action plan will assign responsibility for the physical security program in the Bureau, implement Departmental requirements, and specify any additional Bureau requirements.

No. 3.3.8 **CONTINGENCY PLANS FOR CRITICAL AUTOMATED OSAS SYSTEMS**

This action plan will establish contingency operating plans for the most critical automated systems which support Office of Securities and Accounting Services (OSAS) operations.

No. 3.3.9 **CONSOLIDATION OF MARKETABLE DEFINITIVE STOCK**

This action plan will consolidate bearer Treasury stock and eventually centralize the inventories of both bearer and registered stock.

No. 3.3.10 **AIS CONTINGENCY PLANNING**

This action plan will establish Automated Information Systems Contingency Plans for implementation after installation of Project NEW computer systems.

LEGISLATIVE TRACKING — 1987 INITIATION

The purpose of this action plan is to implement a program to identify, monitor, and report on legislative and regulatory initiatives affecting the Bureau.

COST DISTRIBUTION FOR ADP SERVICES — 1987 INITIATION

This action plan will implement a data processing job cost distribution system.

ELECTRONIC MESSAGE AUTHENTICATION — 1988 INITIATION

This action plan will implement Departmental Electronic Message Authentication policies and guidelines within the Bureau.

SECURITY OF VALUE TRANSFER SYSTEMS — 1988 INITIATION

This action plan will evaluate the security of the Bureau's value transfer systems. The evaluation will, at a minimum, cover security standards applicable in the Bureau and at the Federal Reserve.